

Senate Economics Legislation Committee

ANSWERS TO QUESTIONS ON NOTICE

Treasury Portfolio

Supplementary Budget Estimates

2015 - 2016

Department/Agency: AOFM

Question: SBT 1509-1512

Topic: 1509-1512 - Legal Costs

Reference: written - 30 October 2015

Senator: Wong, Penny

Question:

Since 1 January 2015:

1509. List all legal costs incurred by the department or agency

1510. List the total cost for these items, broken down by source of legal advice, hours retained or taken to prepare the advice and the level of counsel used in preparing the advice, whether the advice was internal or external

1511. List cost spend briefing Counsel, broken down by hours spent briefing, whether it was direct or indirect briefing, the gender ratio of Counsel, how each Counsel was engaged (departmental, ministerial)

1512. How was each piece of advice procured? Detail the method of identifying legal advice.

Answer:

1509. For the period 1 January 2015 to 30 October 2015, total amount of \$125,071 was spent on legal costs as listed below.

Purpose	Provider	Cost
Advice on issuance of Regulations	Australian Government Solicitor	\$2,707
Advice on delegations	Australian Government Solicitor	\$3,181
Review of enterprise bargaining agreement	Australian Government Solicitor	\$1,371
Subtotal		\$7,259
Advice on transmutation facility	Herbert Smith Freehills	\$61,196
Probity review services	Herbert Smith Freehills	\$54,483
Review on divestment of RMBS portfolio	Herbert Smith Freehills	\$2,133
Subtotal		\$117,812
TOTAL		\$125,071

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1510. For the period 1 January 2015 to 30 October 2015, the AOFM spent \$7,259 on legal services provided by the Australian Government Solicitor for advice on the issuance of new Regulation for the *Commonwealth Inscribed Stock Act 1911* and *Loans Securities Act 1919*, delegations under the *Public Governance, Performance and Accountability Act 2013*, and HR matters. For the same period the AOFM spent \$117,812 on legal services provided by a private legal firm, Herbert Smith Freehills Pty Ltd. This comprised a probity review and advice related to divestment of holding in Residential Mortgage Backed Securities and advice relating to obtaining a taxation ruling for the transmutation of stock. All legal costs were done on a time and materials basis, at an agreed rate, and billed accordingly.
1511. Nil.
1512. Legal advice obtained from the Australian Government Solicitor was on a limited tender basis. Other legal advice was via the Legal Services Multi User Listing. The legal costs for all legal advice obtained by the AOFM was done on a time and materials basis at an agreed rate and billed accordingly.